Business and commercial Aviation

THE WEEKLY OF BUSINESS AVIATION®

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HIGHER GENERAL AVIATION TAXES INCLUDED IN CBO 'WISH LIST'

The Congressional Budget Office has published a list of proposed tax changes, including a massive increase in taxes on general aviation, as possible options to increase federal revenues or reduce federal spending outlays to help reduce the budget deficit. CBO notes in a new report, Reducing the Deficit: Spending and Revenue Options, that the Reagan Administration "has no current proposal to increase general aviation fees." General aviation interests also think GA fee increases are unlikely, but say the material in the CBO report is significant because it illustrates some of the perceptions Washington policy makers have about general aviation.

The section of the report on aviation user fees states that current passenger ticket taxes and fuel taxes "are not adequate to cover the federal government's costs of operating the air traffic control system. Charging aviation users for their total shares of these costs would raise an additional $400 million in 1987 and $2.9 billion over the 1987-1991 period." The report says "general aviation users...pay only about one-tenth of their share of all federal aviation expenditures, while commercial aviation users overpay by about 20 percent," adding that if GA fees were raised to cover 40 percent of costs in 1987 and 55 percent by 1990 "the subsidy from the general taxpayer could be largely eliminated." A 55 percent increase would boost current fuel taxes of 12 and 14 cents per gallon to 18.6 cents and 21.7 cents, respectively.

CBO said general aviation fees could be raised in several ways, including "increasing fuel taxes, imposing a sales tax on the purchase of new small planes and equipment or placing direct federal fees on general aviation." While maintaining that higher fees for general aviation "would encourage more efficient use of the nation's airport and airway system," CBO noted that "opponents argue that GA users should not be forced to pay their full share of costs for an air traffic control system that was designed to meet the needs of large commercial jets. Increased fees for general aviation would also reduce sales by the manufacturers of general aviation aircraft."

BREILING REPORT SHOWS ONLY SLIGHT RISE IN CORPORATE ACCIDENTS

A report by Robert E. Breiling Associates shows that corporate aviation had only a slight increase in its accident rate in 1985 and that the corporate accident rate has remained relatively constant over the past three years. Breiling detailed the corporate and business aircraft safety record at last week's Flight Safety Foundation 31st Corporate Aviation Safety Seminar in Cincinnati, Ohio.

Breiling said corporate aviation had 0.56 accidents per 100,000 flight hours in 1985 compared to a rate of 0.52 in 1984 (the 1984 rate was recently revised by the National Transportation Safety Board from the 0.24 that had originally been reported) and 0.50 in 1983. Breiling noted that "in general, the past three years have been relatively constant and more than three times better than the accident rates of 1981 and prior." Business flying, which is flying for business purposes by non-professional pilots, had an accident rate of 3.8 accidents per 100,000 flight hours in 1985, compared to a rate of 4.0 in 1984 and 4.2 in 1983.

Nearly 80 percent of the business aircraft accidents in 1985 occurred during the approach or landing phases of flight (see charts on the back of Pages 122-125). Breiling said that statistic "reem-

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NOW ONLINE WORLDWIDE

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BREILING (Cont.)
phasizes the fact that business aircraft accidents continue to occur in the same critical areas and...continue to be caused by the same human mistakes such as non-compliance with approach or missed approach procedures, non-adherence to weather minimums and operating into or out of runways of marginal length or surface conditions. Breiling, who recently published a comprehensive statistical review detailing every known business type jet accident worldwide since 1964, has been involved in analyzing aircraft accident data for more than 20 years and has presented the corporate/business aircraft safety update at the annual Flight Safety Foundation meeting every year since 1972. He said a review of accident data developed from his book shows that since 1964, 57 percent of all accidents have occurred during landing, 14 percent during approach and 13 percent in the takeoff phase (see related item on Page 125).

MILLIPORE PRESIDENT KILLED IN MIDAIR COLLISION -- The president and chief executive officer of Millipore Corp., Bedford, Mass., and three other company employes were killed last Monday when their Bell 206 helicopter collided with a Cessna 172 and crashed. The accident occurred about 11:30 a.m. on April 14 near Holliston, Mass. while the helicopter, N302MC, was making a short flight from Milford to Bedford, Mass. All four persons aboard the helicopter were killed including John Mulvaney, president and CEO of Millipore. Investigators said both aircraft were at about 2,000 feet altitude. Neither had filed a flight plan and neither aircraft had been in recent contact with air traffic controllers. The 172 apparently descended upon the helicopter's main rotor blade, part of which separated. Weather at the time was clear with 10 miles visibility. Occupants of the 172 made a forced landing, but escaped without serious injury.

NBAA DEVELOPING POLICY ON CVR, FDR USE IN BUSINESS AIRCRAFT -- National Business Aircraft Association, which has opposed mandatory installation of cockpit voice recorders and flight data recorders in non-commercial business aircraft, is reassessing its stance on the CVR/FDR issue and is seeking input from interested parties. Robert Cooke, vice president-operations of NBAA, addressing the Flight Safety Foundation's Corporate Aviation Safety Seminar in Cincinnati, Ohio last week, said the use of CVRs and FDRs in investigating accidents and possibly preventing similar mishaps has to be weighed against a number of other factors.

Based on a cost of about $30,000 per aircraft, Cooke said a 1983 study by Trans System Corp. showed it would cost $354 million to equip the fleet of U.S.-registered turbine-powered aircraft as the National Transportation Safety Board has recommended. Based on Trans System's estimate that the "average cost" of a turbine-powered aircraft accident costs $2.5 million/five fatalities, Cooke said it would require the prevention of 123 accidents over the next 15 years to break even on the CVR/FDR investment.

In addition to cost, Cooke said there are serious questions about the liability aspects of installing recorders in corporate aircraft. He noted that FAA rules preclude the use of CVR/FDR data in prosecuting violations of the Federal Aviation Regulations, but said that Part 91 and Part 125 operators do not enjoy that protection. FAA has proposed such rulemaking, but no final action has been taken. "Another serious concern," Cooke said, "must be the use of recordings in litigation following an accident," noting that recorders "have played a significant role in airline accidents, providing tort attorneys with good guidepaths for fixing blame for their clients grievances." Cooke said many operators who might be willing to pay the price to equip their aircraft with recorders "feel very strongly that FAA needs to do its homework first in order that the equipment to be installed will be properly sanctioned and not made obsolete by a subsequent rulemaking."

SENATE FINANCE COMMITTEE APPROVES PROVISIONS FOR TAX-EXEMPT BONDS -- Senate Finance Committee Thursday approved a package of provisions on tax-exempt bonds based on a joint proposal of Sen. David Durenberger (R-Minn.) and committee Chairman Bob Packwood (R-Ore.). Package retains tax exemptions for airport bonds outside of state-by-state volume caps, including for air freight handling facilites that were included in the volume cap in the House's version of tax reform legislation. Still to be decided is whether interest on bonds will be counted in figuring alternative minimum tax. House version of the bill does count bond interest, as does Packwood's tax reform proposal.

BUSINESS AIRCRAFT ACCIDENTS BY FLIGHT PHASE

	Takeoff	Climb	Cruise	Descent	Approach	Landing
1970 - 1980	13%	9%	6%	6%	33%	30%
1980	15%	8%	8%	4%	30%	33%
1981	17%	8%	5%	4%	25%	40%
1982	15%	7%	7%	5%	22%	44%
1983	22%	2%	5%	2%	14%	53%
1984	13%	4%	8%	1%	12%	62%
1985	18%	—	—	3%	32%	47%

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TURBOPROP ACCIDENTS

• CORPORATE OPERATORS	1980	1981	1982	1983	1984	1985
Accidents	23	23	12	11	10	14
Fatal Accidents	7	9	2	3	2	3
Fatalities	32	26	13	12	5	4
Single Pilot Operators	20	14	10	9	8	8

• Commercial / Business / Other Operators U.S.	1980	1981	1982	1983	1984	1985
Accidents	11	17	16	9	19	13
Fatal Accidents	4	6	4	5	5	7
Fatalities	11	26	17	12	12	17
Single Pilot Operators	10	15	14	17	17	8

TURBOJET ACCIDENTS

• CORPORATE OPERATORS	1980	1981	1982	1983	1984	1985
Accidents	7	9	3	7	8	9
Fatal Accidents	1	3	0	3	0	3
Fatalities	2	6	0	11	0	5

• Commercial / Business / Other Operators U.S.	1980	1981	1982	1983	1984	1985
Accidents	10	6	7	7	11	10
Fatal Accidents	4	2	2	2	6	4
Fatalities	9	3	7	4	20	12

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SUMMARY OF AIRCRAFT IN REGIONAL AIRLINE USE IN 1985

Manufacturer	Single Engine	Multi-Engine	Turbo-prop	Jet	Heli-copter	Total
Aerospatiale.....	*	*	11	*	6	17
Beech.....	3	11	148	*	*	162
Bell.....	*	*	*	*	22	22
British Aero-space.....	*	*	83	14	*	97
Britten Norman...	*	34	*	*	*	34
Cessna.....	146	204	3	*	*	353
CASA.....	*	*	16	*	*	16
Convair.....	*	8	43	*	*	51
deHavilland.....	45	*	158	*	*	203
Douglas.....	*	25	*	*	*	25
Embraer.....	*	*	92	*	*	92
Fairchild (Swearingen)....	*	*	200	*	*	200
Fokker.....	*	*	63	19	*	82
Grumman.....	*	19	20	*	*	39
Nihon.....	*	*	25	*	*	25
Piper.....	51	138	2	*	*	191
SAAB.....	*	*	23	*	*	23
Shorts.....	*	*	88	*	*	88
Misc*.....	2	*	14	1	8	25
TOTAL 1985	247	439	989	34	36	1,745
TOTAL 1984	219	528	938	27	35	1,747
CHANGE	+28	-89	+51	+7	+1	-2
AIRCRAFT IN EXCLUSIVE CARGO USE						
TOTAL-All Make and Models	16	72	33	0	*	121
TOTAL ACFT ALL USES	**263**	**511**	**1,022**	**34**	**36**	**1,866**
Percent Change 85 versus 84	**+9%**	**-17%**	**+3%**	**+17%**	**+3%**	**-3%**

*Misc.--Aero Commander (5); Dornier (6); Helio (2); Hughes (1); Lear (1); MBB (1); Mitsubishi (3); Sikorsky (6)

Source: Regional Airline Association 4/8/86